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Global Agricultural Information Network

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Government Programs Announced for Livestock Producers

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Report Highlights:

Price Insurance for Western Livestock Producers * Marketing Support for Canadian Pork Producers *
Saskatchewan Livestock and Forage Research Receive Government Support * Compensation Program
for Livestock and Crop Losses Due to Wildlife

Price Insurance for Western Livestock Producers

In a recent [press release](#), the federal government announced a new livestock price insurance program meant to help cattle and hog producers in Western Canadian provinces (Saskatchewan, Alberta and British Columbia) manage price risks faced by the industry. The program, branded as an “innovative product”, is an extension of the similar program offered by Alberta since 2009, and is designed as a four-year pilot arrangement between federal and provincial governments. It will become available in March 2014.

According to a newspaper article, the federal announcement did not mention Manitoba due to a blackout on provincial government announcements in the period leading up to two provincial by-elections scheduled for January 28. In a [separate release](#), Manitoba Beef Producers said the group “is confident that beef producers in Manitoba will have the same access to the new program that producers in the other western provinces will have” and “eagerly anticipates the announcement of details applicable to Manitoba.”

The Western Livestock Price Insurance Program (WLPIP) is designed to be a “one stop shop” risk management tool, allowing producers to purchase comprehensive coverage with one up front premium. While coverage is based on a number of market driven factors, settlement of the insurance is based directly on Western Canadian cattle and hog markets.

WLPIP is part of the *Growing Forward 2* initiative. While WLPIP is a producer-funded program, the administration costs are covered by the Government of Canada and by participating provincial governments. The federal government will also provide deficit financing for the pilot. Given their experience since 2009, Alberta’s Agriculture Financial Services Corporation (AFSC) will be the central administrative body for the program. At the same time, in Saskatchewan, the Saskatchewan Crop Insurance Corporation will be the lead customer service delivery agent for the program.

Western Cattle Price Insurance Programs (WCPIP)

There will be three different cattle price insurance programs. While every type of beef operation faces price, basis and currency risk, producers are impacted differently by each of these factors, based on the animal being produced and marketed. Therefore, to provide adequate protection, each of the WCPIP programs is designed to target a different type of production or management system (feedlots, backgrounding and cow/calf operations)

Alberta is Canada’s largest cattle producing province, accounting for 35 percent of the national production level. Saskatchewan is the second largest cattle producing province, with a 22 percent share of the total. Manitoba produces about 10 percent of the national total, while British Columbia about 5 percent. In recent years, Canada produced about 4.5 million cattle annually.

Western Hog Price Insurance Program (WHPIP)

WHPIP will assist hog producers in Western Canada with a simple way to manage price risk without limiting any upside market potential. WHPIP will cover farrow to wean operations, as well as finishing operations.

Manitoba is Canada's largest hog producing province, accounting for 30 percent of the national production level. Both Saskatchewan and Alberta are minor players when it comes to hog production, each province supplying about 8-10 percent of the national total. Hog production in British Columbia is negligible (under 1 percent of Canada's total). In recent years, Canada produced about 28 million hogs annually.

For additional information about WHPIP and *Growing Forward 2* please follow these links:

- Program website - [Western Livestock Price Insurance Program](#)
- *Growing Forward 2* - [AgriRisk Initiatives](#)
- Alberta's AFSC - [Livestock Price Insurance Program](#)

Marketing Support for Canadian Pork Producers

The federal government recently announced an investment of C\$15 million to Canada Pork International (CPI) to help strengthen the Canadian pork sector and increase access to existing and emerging international markets. The investment falls under the AgriMarketing section of the *Growing Forward 2* framework, and will help Canadian producers to better compete abroad and to increase demand for their products. Existing markets such as Japan, and new markets such as the European Union (EU) and South America, will be targeted through the development of printed and in-store promotional products. CPI will also undertake international missions and conduct market research to increase Canada's brand presence and improve industry-to-industry trade relationships.

CPI is the export promotion agency of the Canadian pork industry. Canada exports about two thirds of its pork production. In 2012, the Canadian pork sector generated over C\$3 billion in export sales. Under the recently announced Canada-EU trade deal, the Canadian pork sector has gained market access of up to 80,000 metric tons of pork, estimated by the industry to be worth up to C\$400 million in annual sales.

For additional information please follow these links:

- [Growing Forward 2](#)
- [AgriMarketing Program](#)

Saskatchewan Livestock and Forage Research Receive Government Support

The federal government recently announced nearly C\$4.2 million in funding for 27 livestock (both cattle and hogs) and forage research projects in Saskatchewan. The livestock projects announced will:

- Develop new vaccines;
- Improve yield and marbling in beef cattle;
- Develop new, sustainable forage legumes;
- Improve fertility and reproductive efficiency in livestock;
- Research the effect ergot-contaminated feed has on cow-calf operations; and
- Develop feed for optimum performance in livestock.

Support for these projects is provided through the Saskatchewan Agriculture Development Fund and is part of a record C\$27.7-million provincial agricultural research budget in 2013-14. Earlier in January, the federal and provincial governments announced C\$7 million in funding for 46 crop-related research projects, bringing this year's total ADF investment to nearly C\$11.2 million.

According to the press release, this investment in agriculture research will help achieve goals set out in the Saskatchewan Plan for Growth, which includes establishing Saskatchewan as an international leader in biosciences, increasing crop production and increasing provincial agriculture exports by C\$5 billion by 2020.

Please follow this link for a complete list of [funded projects](#).

Compensation Program for Livestock and Crop Losses Due to Wildlife

A new federal-provincial funding program was recently announced to address farmers' concerns about livestock losses and crop damage due to wildlife. Farmers will be able to apply for compensation beginning in April 2014. The program is cost-shared through the federal/provincial *Growing Forward 2* agreement. It will provide assistance to farmers who experience damage to eligible products or animals due to the activities of wildlife. Eligible products include plants, trees and vines grown as commercial crops, as well as farmed livestock, including dairy and beef cattle, sheep, goats, plus beehives and beehive contents.

Livestock damages eligible for compensation must be caused by black bears, foxes, coyotes, ravens, crows or birds of prey. Damage caused by dogs is excluded.